A6225-1

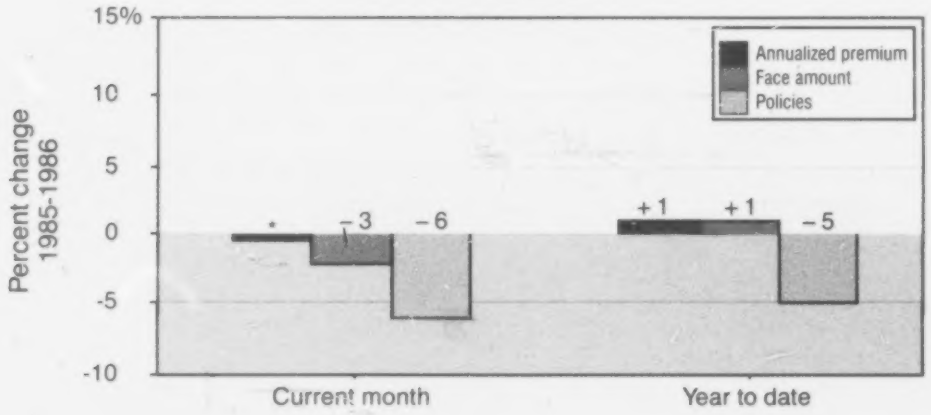
I/R Code 47.40
***May 1986***

MONTHLY SURVEY OF

# LIFE INSURANCE SALES IN THE UNITED STATES

## Ordinary Sales

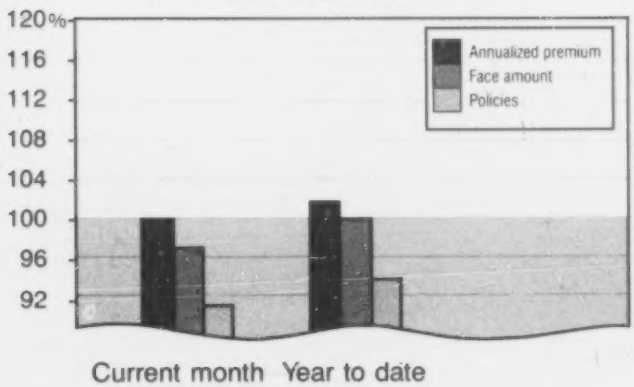
### 125 Companies




*Less than ½ of – 1 percent

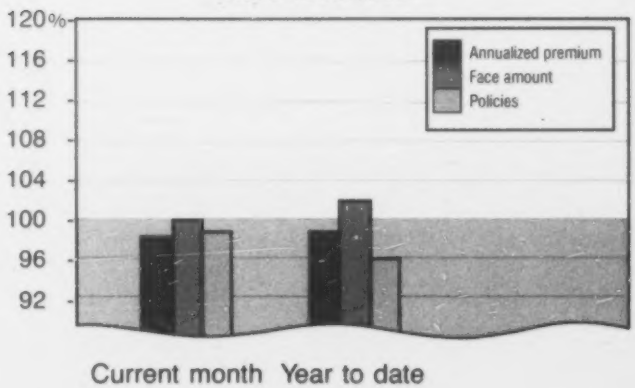
### 114 Ordinary Companies and Departments

Ratio 1986/1985




### 21 Combination Companies and Departments

Ratio 1986/1985



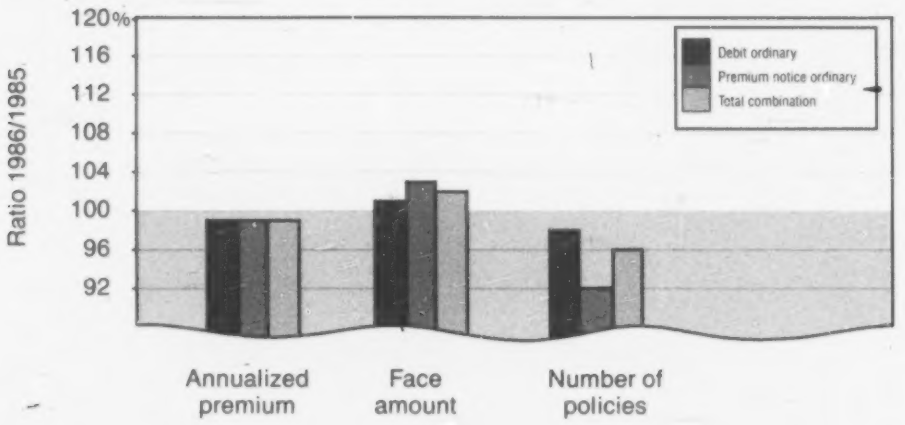

LIMRA INTERNATIONAL

***Profit from our research.***

# Ordinary Sales (cont.)

## 21 Combination Companies and Departments

### Year to Date

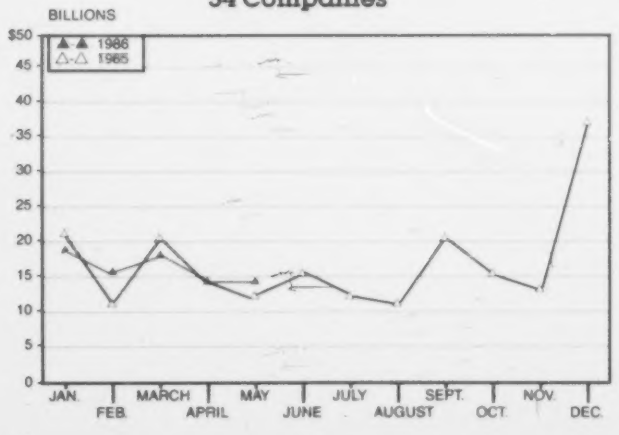



## Policy Characteristics – All Companies

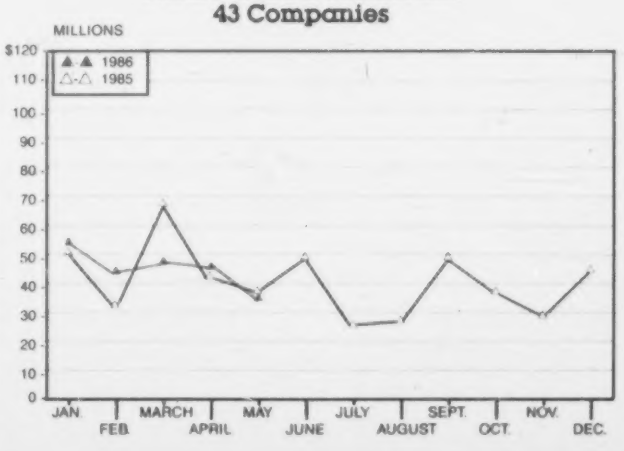
| | | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|---|
| **Debit ordinary** | Month | $17.84 | $ 9,160 | $163 |
| | Year to date | $18.69 | $ 8,874 | $166 |
| | Year-to-date ratio | 98% | 103% | 101% |
| **Premium notice ordinary** | Month | $12.43 | $42,082 | $523 |
| | Year to date | $12.16 | $43,072 | $524 |
| | Year-to-date ratio | 97% | 112% | 108% |
| **Total combination companies and depts.** | Month | $13.95 | $20,974 | $292 |
| | Year to date | $13.88 | $21,408 | $297 |
| | Year-to-date ratio | 97% | 107% | 104% |
| **Total ordinary companies and depts.** | Month | $ 9.84 | $83,416 | $821 |
| | Year to date | $ 9.93 | $82,706 | $821 |
| | Year-to-date ratio | 101% | 107% | 108% |

# Group Sales

### Face Amount
**54 Companies**



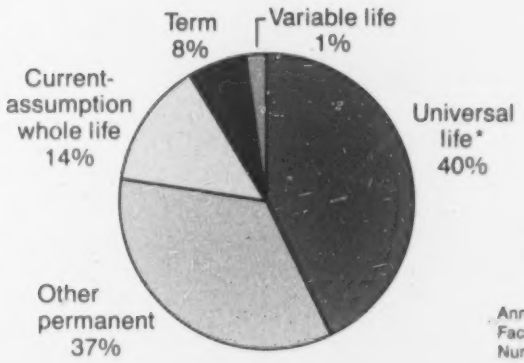

### Annualized Premium
**43 Companies**



# Individual Products

## Annualized Premium Market Share by Product

### 62 Companies – Year to Date




*UL market share for 125 contributors:

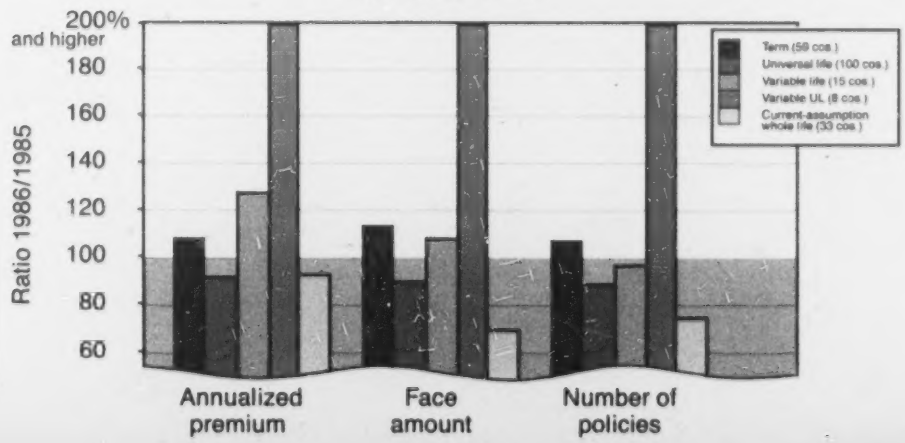
| | Month | Year-to-date |
|---|---|---|
| Annualized premium | 35% | 38% |
| Face amount | 32% | 35% |
| Number of policies | 22% | 24% |

## Policy Characteristics by Product

| | | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|---|
| Term (59 cos.) | Month | $ 2.50 | $139,416 | $ 349 |
| | Year to date | $ 2.55 | $137,418 | $ 351 |
| | Year-to-date ratio | 94% | 108% | 102% |
| Universal life (100 cos.) | Month | $11.38 | $ 83,412 | $ 949 |
| | Year to date | $11.49 | $ 85,088 | $ 978 |
| | Year-to-date ratio | 102% | 102% | 104% |
| Variable life (15 cos.) | Month | $21.41 | $ 56,898 | $1,218 |
| | Year to date | $20.36 | $ 54,363 | $1,107 |
| | Year-to-date ratio | 116% | 110% | 128% |
| Variable universal life (8 cos.) | Month | $12.37 | $ 71,529 | $ 885 |
| | Year to date | $12.06 | $ 69,642 | $ 840 |
| | Year-to-date ratio | 104% | 99% | 103% |
| Current-assumption whole life (33 cos.) | Month | $16.66 | $ 52,782 | $ 879 |
| | Year to date | $17.19 | $ 54,170 | $ 931 |
| | Year-to-date ratio | 134% | 94% | 126% |
| Total sales (125 cos.) | Month | $10.47 | $ 57,276 | $ 600 |
| | Year to date | $10.52 | $ 58,116 | $ 611 |
| | Year-to-date ratio | 101% | 106% | 107% |

## Sales Comparisons with Last Year

### Year to Date



# Universal Life Contributors' Growth Rates

## Interest Rates This Month

| | |
|---|---|
| Median | 9.7% |
| Range | 6.0%-11.0% |
| Range of middle 50% | 9.0%-10.0% |
| Number of cos. reporting rates | 88 |
| Number of plans reported | 185 |
| Number of new plans | 3 |
| Number of plans dropped | 0 |
| Number of plans showing . . . | |
| No change | 114 |
| Increases | 9 |
| Range of increases | 0.1%-0.8% |
| Average increase | 0.3% |
| Decreases | 59 |
| Range of decreases | 0.1%-1.4% |
| Average decrease | 0.5% |

## Change in Annualized Premium This Month

| Percent change 1985-1986 | Number of . . . Ordinary cos./depts. | Combination cos./depts. |
|---|---|---|
| 21% or over | 25 | 3 |
| 11%-20% | 9 | 2 |
| 1%-10% | 11 | 4 |
| –9%-0 | 21 | 6 |
| –19%-–10% | 17 | 2 |
| –20% or under | 31 | 4 |

# May Sales

| | | Annualized premium (000) 1985 | Annualized premium (000) 1986 | Face amount (000) 1985 | Face amount (000) 1986 | Number of policies 1985 | Number of policies 1986 |
|---|---|---|---|---|---|---|---|
| Total ordinary | Month | $ 480,996 | $ 480,018 | $ 47,192,503 | $ 45,841,012 | 849,503 | 800,358 |
| | Year to date | $2,286,726 | $2,314,964 | $218,971,145 | $220,154,367 | 4,006,041 | 3,788,178 |
| Ordinary cos. and depts. | Month | $ 380,841 | $ 382,017 | $ 40,151,455 | $ 38,813,517 | 510,470 | 465,302 |
| | Year to date | $1,832,137 | $1,863,507 | $187,155,827 | $187,622,837 | 2,418,866 | 2,268,563 |
| Combination cos. and depts. | Month | $ 100,155 | $ 98,001 | $ 7,041,048 | $ 7,027,495 | 339,033 | 335,056 |
| | Year to date | $ 454,589 | $ 451,457 | $ 31,815,318 | $ 32,531,530 | 1,587,175 | 1,519,615 |
| Group | Month | $ 36,451 | $ 34,607 | $ 12,394,587 | $ 14,171,689 | – | – |
| | Year to date | $ 227,404 | $ 224,062 | $ 79,839,721 | $ 80,392,420 | – | – |

# About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance – face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 125 companies – and their 64 subsidiary companies – operating in the United States. These contributors represent 60 percent of the 1984 United States ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 53 companies plus five subsidiaries operating in the United States. These contributors represent 67 percent of the 1984 United States volume of new or amended group contracts.

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